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COMMERCIAL UNION

AS PHOTOGRAPHED BY AN

INTELLIGENT ENGLISH VISITOR TO CANADA.

By *Henry Norman*
IMPERIAL INTERVIEWS, NUMBER TEN,

IN THE

PALL MALL GAZETTE.

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NEW YORK:

ERASTUS WIMAN, 314 BROADWAY.

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INTELLIGENT ENGLISH VISITOR TO CANADA.

[ONE of the Editors of the *Pall Mall Gazette*, Mr. HENRY NORMAN, is making a journey around the world. In a brilliant series of what is called "Imperial Interviews" he is furnishing, not only his own journal, but a syndicate of papers, vivid photographs of what he gathers from prominent men in each locality that he visits. The subjects usually chosen for discussion are those not only of vital interest in the localities themselves, but of importance also to his readers in Great Britain. Mr. NORMAN has, however, such vigor of mind as to be more than a mere interviewer. While, no doubt, he faithfully represents the views of those whom he deems worthy of reporting, he nevertheless reaches conclusions entirely his own, and after due investigation, does not hesitate to produce them in a style at once incisive and attractive. Hence, the interview which is reprinted in the following pages is interesting, as indicating his deliberate conclusions regarding the question of Commercial Union between the United States and Canada, a conclusion reached after having had the great advantage of a full conference with Professor GOLDWIN SMITH, and many others in all walks of life, whom he deems it unnecessary to quote. It will be seen that Mr. NORMAN approaches the question with a comprehensiveness which few writers have equalled, placing an estimate on the far-reaching consequences of the movement, which, at the outset, almost staggers the reader.]

The reproduction in this form of the interview needs an apology on behalf of the publisher, whose personality occupies so large a portion of the letter. Probably because of this personality, the letter was only partially reprinted on this side of the Atlantic; and it seemed unfortunate that the conclusions reached by a most intelligent and impartial observer should not be put in shape for perusal and preservation. Hence, at the risk of the accusation of undue vanity, the publisher sends out this as one of a series of documents on Commercial Union which it has seemed to be his duty, as it has been his pleasure, to reproduce. His only justification for this last issue is his desire to rescue from the oblivion of a daily London paper, utterly inaccessible to those most deeply interested, some views and conclusions other than his own, that may be worthy of preservation.]

Mr. NORMAN says:

"Commercial Union is the coming question for Canada; no one could travel about the Dominion for two months, and talk with all classes of people, without being sure of that. It is the question which will split Canadian parties, which will be the issue at the next general election, and which, by the manner in which it is discussed and the result ultimately arrived at, will determine the whole relationship between Canada and the United States, for many years to come, the relationship between England and her greatest colony probably forever, and which will consequently affect to a great, if not indeed to a vital degree, the future of the Anglo-Saxon race

upon the globe. These are large assertions, but I think it is easy to show that they are not greatly exaggerated ones. The prevalence of the Commercial Union idea has been the chief surprise of my visit. As yet little or nothing is known of it in England, while here it is the first and last theme of discussion wherever politicians meet. You cannot pick up a daily paper anywhere which has not a leading article upon it. It is the favorite subject for young men's debating societies and farmers' institutes. Clubs are being formed for no other purpose than to study and promote it, and already its opponents have taken such alarm that, apparently no longer confident of their own ability to demolish the 'fad,' they are invoking supernatural assistance, for on last Thanksgiving Day I see that a clergyman in St. John, New Brunswick, included it among the things he thanked God Canada did not have. The two leading newspapers of Canada, the *Toronto Globe* and the *Mail*, the first a Liberal organ and the second recently converted from Conservatism to independence, vie with each other in the strength of their support; and my own experience, outside of Ottawa, which is the centre of ministerialism, is that three out of five of the most intelligent men I have met are enthusiastic Commercial Unionists. Or, to give a more conclusive proof, one of the most prominent defenders of the Commercial Union said the other day, 'if this cause is lost it is the farmers which will lose it; if it is won, it is the compact unity of the farmers which will win it;' and in the province of Ontario, out of thirty Farmers' Unions which have debated the question, twenty-eight have declared in favor it, one only being adverse and one holding its judgment in suspense.

"The abstract question of Commercial Union is intimately interwoven at present with the personality of its foremost advocate, Mr. Erastus Wiman, and this personality is interesting enough to call for a brief description. Mr. Wiman, who is now perhaps about 48, was born at the obscure village of Churchville, in Peel County, Ontario, and his first commercial enterprise was setting type in the printing-office of his uncle's newspaper at one dollar per week. From printer he became reporter, was for awhile on the staff of the *Toronto Globe*, became a clerk in the Toronto branch of the New York Mercantile Agency (or Trade Protection Society as it would be called in England) of R. G. DUN & Co., advanced from there to the control of its whole Canadian business in Montreal, and shortly afterwards was offered simultaneously a Government post at a salary of £400 a year with a prospective pension, and a salary of £2,000 in gold in the head office of the same establishment in New York. It is needless to add which he accepted. For years now he has been the managing partner, receiving a salary probably no less than that of the President of the United States, and wielding an influence which many Prime Ministers might envy. An idea of the extent of the operations of the firm of R. G. Dun and Co.—which is really only another name for Mr. Erastus Wiman—at the present time may be gathered from the fact that they use daily no fewer than eight hundred type-writing machines. Mr. Wiman has revolutionized Staten Island, the 'Isle of Wight,' in New York harbor; he is the president of the Great Northwestern Telegraph Company of Canada, which is one of the tentacles of that gigan-

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tic monopolist octopus, the Western Union Telegraph Company, of which Mr. Jay Gould is the heart: and the other commercial and financial enterprises in which he is largely interested, and which he controls to a greater or less degree, would fill half a column of a newspaper to enumerate. Mr. Wiman combines the solid basis of the English and Canadian character with the immense energy and breadth of view of the typical American. He does what most people would consider a day's work before breakfast in the morning, and his name meets you everywhere—in the columns of newspapers and in the pages of reviews, as well as in the clubs and on the platform, and always as an enthusiastic and almost resistless advocate of his pet idea. In fact, his whole life outside his daily business may be truly said to be spent in one unceasing effort to induce the countries of his birth and of his adoption to exchange what a sarcastic rhymester has described as 'the sly commercial kiss.' He must be the very man for whom the phrase was originally coined that 'when he pulls, something has to give.' This time it will very likely be two nations."

My first conversation with him upon the subject of Commercial Union took place across the dinner table in the Canadian Club of New York, of which (like most other things with which he has to do) Mr. Wiman is president. He was president and promoter, by the way, of the recent Jubilee celebrations in New York. I will not attempt to reproduce his own words, but only to summarize his brief for Commercial Union, as he has made it familiar to everybody in Canada.

First, then, what is Commercial Union? It is simply absolute free trade between the United States and Canada, or put concretely, the removal at one blow of the line of custom houses 3,000 miles long, separating the two countries. Second, what would be the advantages of the step? In the first place the abolition of the custom houses would be an enormous saving of national expense, to which would be added the abolition of the American consular service throughout Canada. To continue in an ascending scale, the Fisheries Question would be settled for ever, for the fishing grounds would be open to American and Canadian alike, the Canadian would export his fish into the United States free of duty, and thus both providers and consumers would be alike benefited, and three countries relieved from a perennial and irritating puzzle. Next, the argument of the Commercial Unionist is always stated in this way. Every one of them has a huge map hanging upon his wall, and seizing a pointer, he says: "Look at this." Then he shows that the two countries, disregarding the line of demarcation, are divided into four blocks running North and South, the first consisting of the maritime provinces (New Brunswick, Nova Scotia, and Prince Edward Island) and New England; Ontario and Quebec together with New York and Pennsylvania; Manitoba and the North-West Territories with Minnesota and Dakota; and British Columbia with the States on the Pacific coast. The natural course of trade, they proceed to say, runs North and South between the inhabitants of these blocks, not East and West between the upper portions of them. Between the maritime provinces and Ontario it is a fact that there is very little trade; between Ontario and Manitoba there is,

of course, trade, but Manitoba would greatly prefer to trade along the natural route with the American States adjoining her; between British Columbia and the rest of the Dominion there is scarcely any natural trade at all.

But what are the more specific advantages which the scheme offers? To the United States Canada offers an area actually larger than their own, and, although much of this is inhospitable and barren, the wheat-growing zone of Canada is actually more extensive than that of the United States. In the great North-west there are 375,000,000 acres of wheat land still to be cultivated. She offers 5,500 miles of the best fishing coasts in the world, and coasts, it must be remembered, mean bait, and bait means profitable fishing. The forests of the United States, again, will be exhausted in 25 years. Canada offers an enormous area containing 60 different kinds of timber. In spite of the duty on coal, 300,000 tons are annually exported from the west of Canada to San Francisco, and it is claimed that Canada offers 40,000 square miles of coal country for development. Vast Mineral wealth also Canada undoubtedly possesses, and of the fertilizing phosphates so necessary to agriculture nowadays, there is an enormous supply on the north shore of Lake Superior, 25,000 tons of which were already exported during 1885. In a word, Canada, in the persons of the Commercial Unionists, stands at the border inviting American wealth and American energy to her boundless possessions in forest, ocean, field, and mine.

"She is rich by nature," says Mr. Wiman, "but poor by policy," and the bargain will be one in which both sides will get the best of it, for it would be no less advantageous to the United States to aid in the development of all these things than to Canada to have them developed. The farmer, and all who supply natural products, would have a vast market in the money-spending States; American manufacturers would have a vast market in Canada, and because of the abundance of raw material, the supplies of power, and the cheapness of labor, many manufacturers could be carried on with greater advantage in Canada than across the border. This part of the Commercial Unionist view might be described to any length, but finally there is the abstract though strong reason that it is contrary to the laws of nature and human intercourse that two people side by side, each producing what the other needs, should not trade freely and fraternally, but that the farmer in the province of Quebec should be forbidden to exchange a bag of potatoes with his fellow-farmer in Maine across the rail fence which is all that divides them, and the wheat grower in Manitoba be prohibited from selling his crop and buying his supplies in Dakota because of the line of demarcation between them evolved out of the inner consciousness of an astronomer. In a word, the arguments are simply the old irresistible ones of free trade so familiar in England, for, as a Philadelphia paper admitted the other day, "the objection that lies against trade with Canada lies equally against trade between Ohio and Kentucky and between Pennsylvania and New York." And so long ago as 1871, an official report called for by the Secretary of the United States Treasury, in compliance with a joint resolution of Congress, declared that the reason why the provinces of the Dominion

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were comparatively so sparsely populated and so behind-hand in wealth and the corresponding activities of industries was "clearly to be traced to their isolation from the free interchange of activities in a commercial way which the rest of the Anglo-Saxon communities of America have secured by their national confederation." Mr. Wiman, who is not an original thinker, but who is able to popularize with extraordinary insight and vigor ideas which have taken root in his mind, grows really eloquent over the prospect. "What Columbus, Cabot, and Cartier did," he said, "when they braved the unknown seas to discover new worlds, and beckoned to whole peoples to follow them to illimitable progress and prosperity, that, in our degree, we Commercial Unionists do to-day, when we stand here and point you over the border to the commercial possibilities and consequent happiness that lie beyond." "Canada," he exclaimed to me, "has a manufacturing power which knocks this people out of sight." "Lower Canada is the natural seat of the manhood of America. Quebec to-day should be sitting at the seat of custom of the world." "One staggers at the thought of the enormous area controlled by Quebec and Montreal. If the Declaration of Independence had not stopped short, these towns would be the New York and Boston of to-day." "I maintain that the natural resources of Canada are greater than of any country in the world." "Montreal (this with a laugh) looks upon me as a traitor and a renegade, but I am her friend, and she will raise a statue to me yet!" "People say I am a vain man and eager to see my name in the newspapers. Probably the first is true, and certainly the second is. Why should I pretend that I would not like to be considered the great benefactor of my own country? I have made my fortune and have my own position, and I do not hesitate to say to you or anybody that the desire of my life is to have my name go down to posterity with what I know will be the greatest commercial blessing Canada ever received. 'America,' says Emerson, 'is another name for opportunity,' and opportunity is another name for Commercial Union."

The objections to Commercial Union I shall hear plenty of when I get among the members of the Government in a few days. In the meantime Mr. Wiman claims that Commercial Union unquestionably has the favorable and hearty support of President Cleveland and his Cabinet, and Mr. Chamberlain's strange lack of diplomatic reserve has already had the distinct effect of winning supporters to the course which he publicly disapproved. The *Toronto Mail* has reminded Canadians of Tom Paine's saying, that it was a miserable thing to see several millions of people running down to the wharf every time an English ship landed in the American colonies, to see what measure of freedom they might enjoy, and added that it is equally so to see five millions of Canadians deprived of any real voice in the settlement of what is a matter of vital consequence to themselves while the arbiter of their fate discourses of his intentions with regard to them to a mob of reporters collected in a Washington hotel. When Mr. Chamberlain proclaimed there, in the now famous "whisky and Apollinaris" interview, the Imperial intention to impose a veto on what may prove to be the desire of the majority of the majority of the Canadian

people, then, as Professor Goldwin Smith says, "Canada is made to feel herself a dependency indeed."

In Canada Professor Goldwin Smith occupies a position widely different both in honour and in influence from that which he occasionally fills in the columns of the *Times*. He lives in the oldest brick house but one in Toronto, a long low old-fashioned structure standing in its own grounds and under its own trees, like an English home, and more resembling in its quiet dignity and English comfort the three homes of the United States—Craigie House, where Longfellow lived, Elmwood, Mr. Lowell's residence, and Shady Hill, Professor Norton's home, all at Cambridge, in Massachusetts—than any place I have seen in the United States or Canada. At the Grange the very telephone seems an intruder, and as Professor Smith (for so he is called in Toronto) walks round a large billiard table in the middle of his library, or spreads out the inevitable Commercial Unionist map upon it, it is difficult to believe one is not back with him in old days at Oxford. To approach him with the words "Commercial Union" on one's lips is to be sure, if any assurance were needed, of a courteous reception, and he begins with the map argument and the others which I have tried to sketch above. But he has more scholarly reasons peculiar to himself. "I have always held," he said, "that England must look forward to the time when she must cease to interfere with the internal politics of this country, and be content with its friendship. Saving the political division and the fiscal line, Canada and the United States are in a complete state of fusion. Why, even all our winter ports are in the United States! And what is the condition we are in? The Intercolonial Railway cost \$10,000,000, and will soon be abandoned. The attempt had been made to clamp our diverse territories together by a political railway which will soon be in the position of the Intercolonial. Our Government is only held together by a system of bribery, the result of which has been to saturate us with corruption. But you may depend upon it the attempt to hold together thus the four blocks of territory into which the Dominion is divided is a desperate affair. To force us to manufacture for ourselves is preposterous. To begin with, we have no coal, so we are in the pretty plight of first having taxes levied upon us to make us manufacture, and then having taxes levied upon coal to make us get our coals to do it with in Nova Scotia."

"You ask me what will be the result of Commercial Union upon the political relations of the Dominion and the mother country? Well, I never conceal my belief that, although the immediate results nobody can foresee, the ultimate result will be political union, and England must be content with our friendship. To try to connect us with England and detach this country from the United States, is as hopeless and as foolish as it would be to try to connect Scotland with the United States and detach her from England. England's position to day is this; she can play one of two games; either follow out the Tory ideal, and separate Canada permanently from England by trying to wrest a portion of this continent from Democracy; or second, she can recognize and renew her family rela-

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tions, destroyed and embittered a century ago, with the whole of this continent by generous and friendly action towards Canada now. Through us she can win back the affection of the United States. As for the cry of disloyalty that is raised, the protected manufacturers here have been seized with a spasm of loyalty. They cannot bear, they tell you, with tears in their eyes, anything savoring of discrimination against England, but they will exclude English goods by their protective duties readily enough, and they are always running back to Ottawa to have those duties raised. Politicians, it is true, have means of their own of delaying this Commercial Union movement, but if miscarries as a commercial movement, it will certainly be born again as a political movement, and then will be seen how completely we are bound up with our continent." "The protected industries are so strong, the Government is so bound to them, and the C. P. R. to both, that I should not wonder if they did make it miscarry for the present; but it will be for their cost. The Canadian Ministers believe that if they take a firm stand England will back them up. What I want to see is some open minded statesman come over here and see things for himself, for nothing is really known of us from our statesmen who go to England, and Governors General live necessarily in a fool's paradise. I myself look at the question inevitably from an English point of view. I lived there too long and left it too late to have any other, but I have not the shadow of a doubt that the right course for England is to withdraw politically and retain the great instruments of influence which lie in language, literature, and common history, and by resigning a political connection which is worth nothing, come into relations of grateful affection with all her children on this side, that would prove of infinite value to the future of civilization."

To round off this outline of the Commercial Union idea, one other point must be mentioned, viz.: the obvious difficulty of arranging a common tariff for Canada and the United States when the custom-houses are swept away. That five millions of people should have any more than a consulting voice in the settlement of the tariff of sixty million is not to be thought of, and therefore Commercial Union would mean that the Canadian tariff should be decided practically by American statesmen, and that some equitable arrangement should be made for supplying a proportionate revenue to Canada. This difficulty, although probably not insuperable, presses upon many people, and within the past few weeks an attempt has been made to overcome it by the suggestion of unrestricted reciprocity (which, indeed, was what would have been the result of the passing of the original measure introduced into Congress by Mr. Butterworth, of Ohio, and laid on the table), that is, to provide by law that there shall be an absolutely free interchange of American and Canadian goods of all descriptions, but still keep the line of custom-houses, thus enabling Canada and the United States to have a varying or any tariff against goods coming directly to them from any other countries. This is a suggestion of Mr. J. D. Edgry, M. P., who has advocated it in three open letters to Mr. Wiman, and Mr. Wiman has said in reply that "indeed almost everything that Commercial Union in its fullest sense could accomplish would be achieved by this plan."

Finally, as regards the effect of Commercial Union upon England, Mr. Wiman, Professor Goldwin Smith, and the other Commercial Unionists make several remarks. First, they say that in case the Canadian and United States tariffs should be pooled, the former would be slightly raised, and it is certain that the latter, as is its natural tendency, would be lowered, and that the lowering of a tariff behind which are 60,000,000 of people would be a greater gain to English manufacturers than the raising of a tariff behind which are only 5,000,000 would be a loss. Second, they point out that the condition of Canada is lamentable compared with the prosperity of her great neighbor. She has an enormous and increasing debt, her population is not rapidly increasing, and there is an "exodus" of her population into the United States of an alarming character. Now, many millions of English money are invested in Canada, and if this, principal and interest, is to be repaid, a change must come over the finances of the Dominion. Third, that political discontent is the inevitable accompaniment of commercial discontent. Therefore, says Mr. Wiman, at any rate, under Commercial Union, Canada will be more loyal and more thoroughly contented with British connection than she has ever been before. Lastly, he adds, "they talk about the injury it would do to the English manufacturers. These do \$10,000,000 of trade with Canada. Supposing they make ten per cent. profit, that is \$1,000,000. Supposing, again, that Commercial Union deprives them of half their profits. I should like to ask if the commercial progress and prosperity of the whole Canadian people is to be hampered for fear that English manufacturers should lose £400,000 a year?" And all Commercial Unionists point with glee to Mr. Chamberlain's remark just before he left England—"If Canada wants free trade with the United States, she can have it." It was not what he meant, but they have taken him at his word.